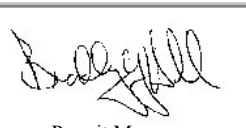


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☒

APPLICATION FOR PERMIT TO DRILL						1. WELL NAME and NUMBER Bonanza 1023-51S	
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>						3. FIELD OR WILDCAT NATURAL BUTTES	
4. TYPE OF WELL Gas Well Coalbed Methane Well: NO						5. UNIT or COMMUNITIZATION AGREEMENT NAME	
6. NAME OF OPERATOR KERR-MCGEE OIL & GAS ONSHORE, L.P.						7. OPERATOR PHONE 720 929-6587	
8. ADDRESS OF OPERATOR P.O. Box 173779, Denver, CO, 80217						9. OPERATOR E-MAIL mary.mondragon@anadarko.com	
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU-33433			11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>	
13. NAME OF SURFACE OWNER (if box 12 = 'fee')						14. SURFACE OWNER PHONE (if box 12 = 'fee')	
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')						16. SURFACE OWNER E-MAIL (if box 12 = 'fee')	
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')			18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>			19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>	
20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN	
LOCATION AT SURFACE	1165 FSL 1030 FEL	SESE	5	10.0 S	23.0 E	S	
Top of Uppermost Producing Zone	1165 FSL 1030 FEL	SESE	5	10.0 S	23.0 E	S	
At Total Depth	1635 FSL 1008 FEL	NESE	5	10.0 S	23.0 E	S	
21. COUNTY UINTAH		22. DISTANCE TO NEAREST LEASE LINE (Feet) 1008		23. NUMBER OF ACRES IN DRILLING UNIT 1922			
		25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 20		26. PROPOSED DEPTH MD: 8352 TVD: 8300			
27. ELEVATION - GROUND LEVEL 5300		28. BOND NUMBER WYB000291		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE Permit #43-8496			
ATTACHMENTS							
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES							
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER				<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN			
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)				<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER			
<input checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)				<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP			
NAME Kevin McIntyre		TITLE Regulatory Analyst I		PHONE 720 929-6226			
SIGNATURE		DATE 10/21/2008		EMAIL Kevin.McIntyre@anadarko.com			
API NUMBER ASSIGNED 43047501690000		APPROVAL <div style="text-align: center;">  Permit Manager </div>					

Kerr-McGee Oil & Gas Onshore LP
BONANZA #1023-5IS
SECTION 5, T10S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 3.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY, THEN SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 3.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE EXISTING ACCESS FOR SC #4-5 TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 42' TO THE EXISTING LOCATION SC #4-5 AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 58.9 MILES.

Kerr-McGee Oil & Gas Onshore LP

BONANZA #1023-5IS

LOCATED IN UTAH COUNTY, UTAH
SECTION 5, T10S, R23E, S.L.B.&M.

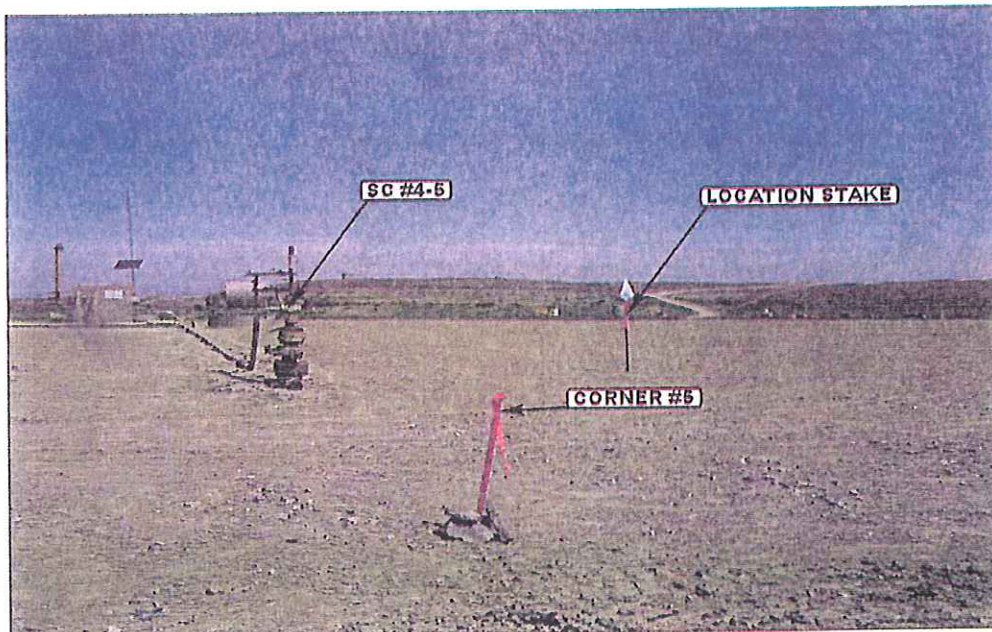


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: SOUTHEASTERLY



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

LOCATION PHOTOS

07 10 08
MONTH DAY YEAR

PHOTO

TAKEN BY: L.K. | DRAWN BY: J.J. | REVISED: 00-00-00

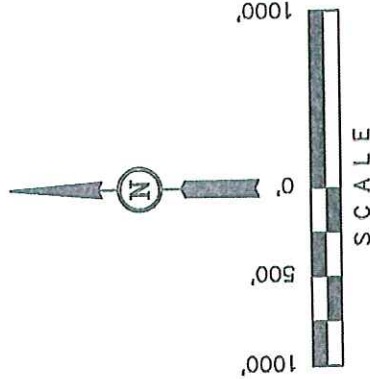
Well location, BONANZA #1023-5IS, located as shown in the NE 1/4 SE 1/4 of Section 5, T10S, R23E. S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINBAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.

W. M. ROBERTS

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF TEXAS

7-22-08 C.H.
6-10-08 C.H.

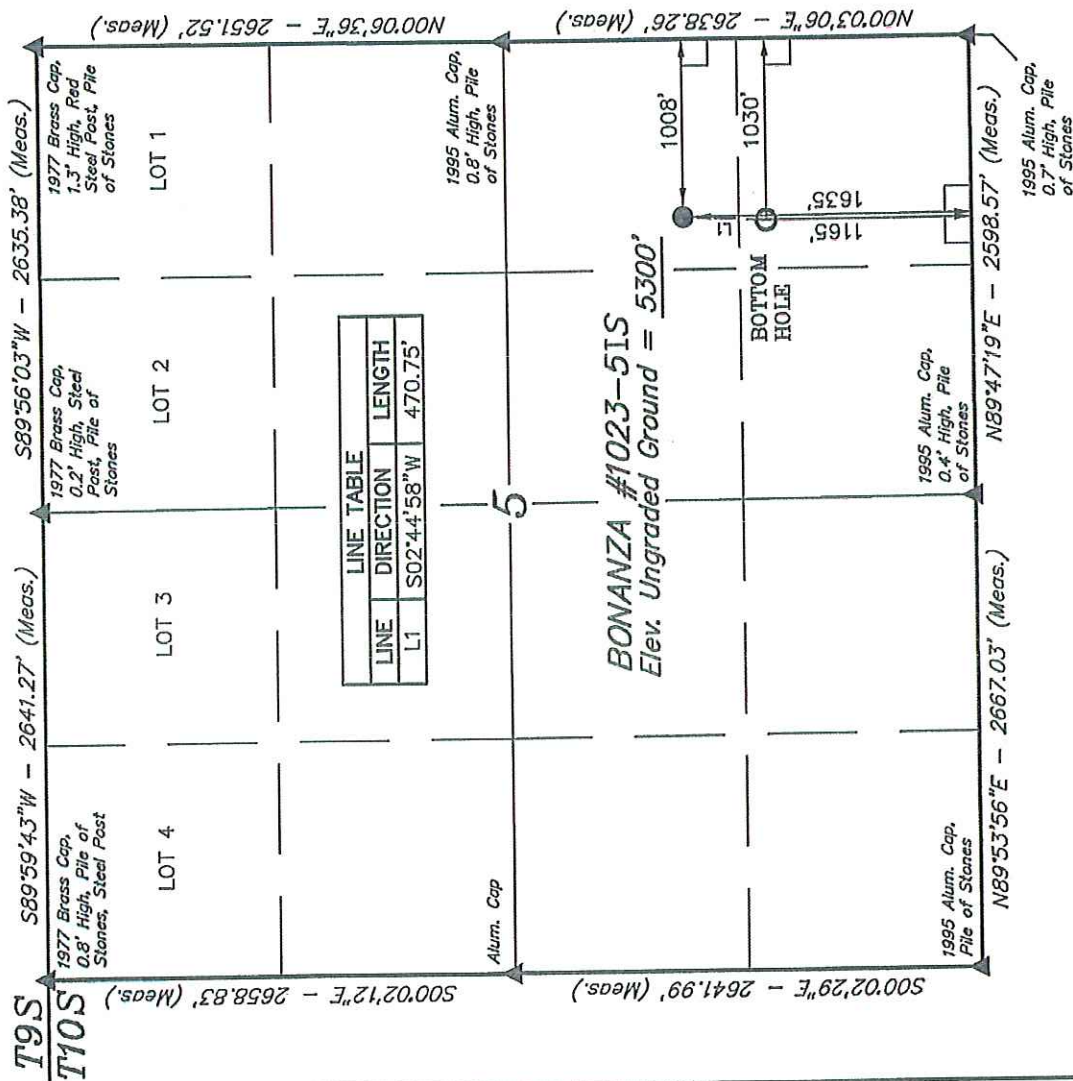
REV: 07-22-08 C.H.

REV: 07-22-03 C.H.
REV: 06-10-08 C.H.

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE	1" = 1000'		DATE SURVEYED:	DATE DRAWN:
			02-21-06	02-22-06
PARTY	REFERENCES			
	G.L.O. PLAT			
WEATHER	FILE			
WARM			Kerr-McGee Oil & Gas Onshore LP	



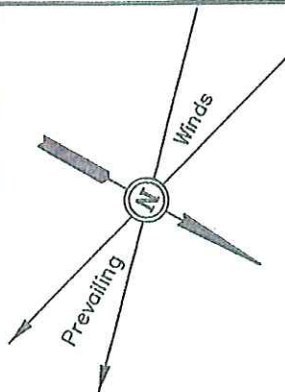
LEGEND:

-  = 90° SYMBOL
 = PROPOSED WELL HEAD.
 = SECTION CORNERS LOCATED.

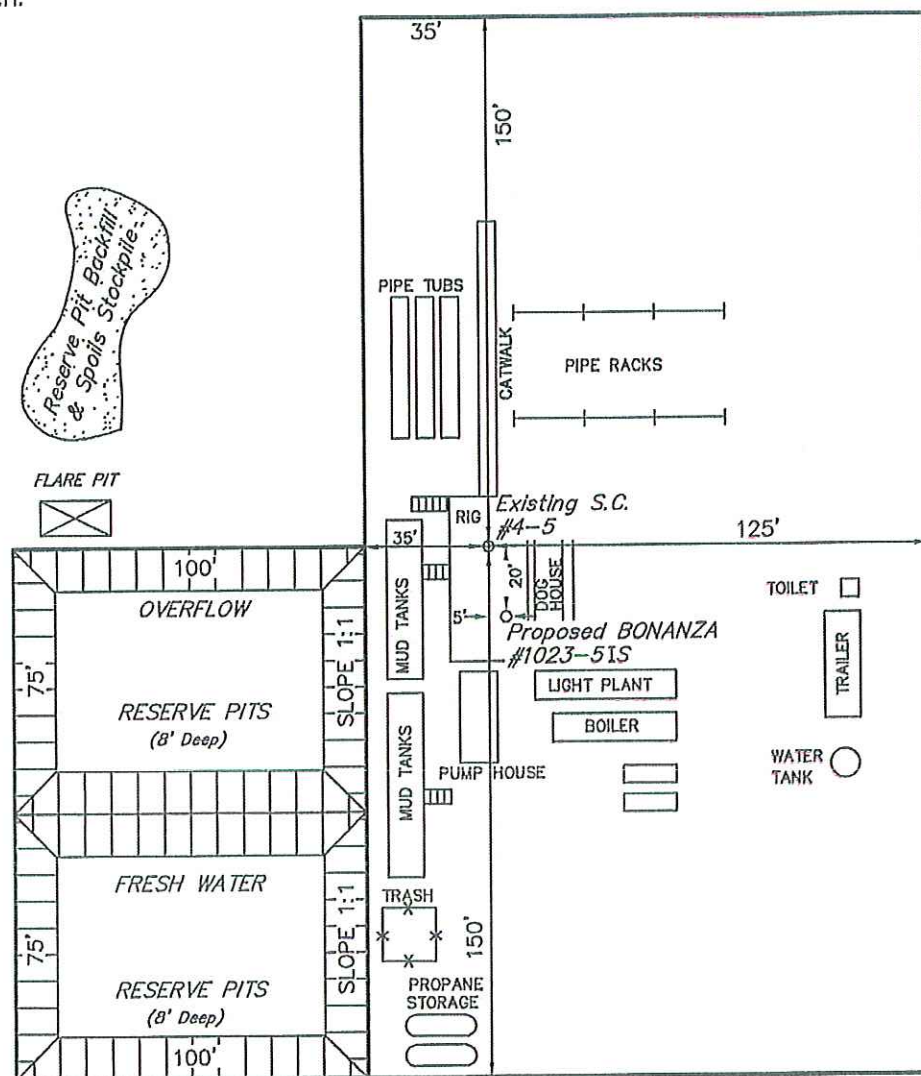
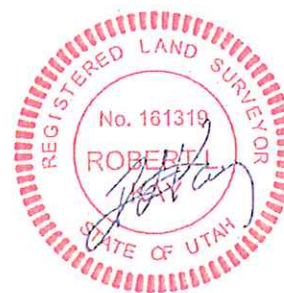
Kerr-McGee Oil & Gas Onshore LP

FIGURE #1

LOCATION LAYOUT FOR
 BONANZA #1023-5IS
 SECTION 5, T10S, R23E, S.L.B.&M.
 1635' FSL 1008' FEL



SCALE: 1" = 50'
 DATE: 06-10-08
 Drawn By: C.H.



NOTES:

FINISHED GRADE ELEV. AT LOC. STAKE = 5301.7'

UINTAH ENGINEERING & LAND SURVEYING
 85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017